

COMMONWEALTH OF KENTUCKY
BEFORE THE ENERGY REGULATORY COMMISSION

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In the Matter of:

AN EXAMINATION BY THE ENERGY)	
REGULATORY COMMISSION OF THE)	
APPLICATION OF THE FUEL ADJUST-)	
MENT CLAUSE OF KENTUCKY POWER)	CASE NO. 8058
COMPANY FROM MAY 1, 1980 TO)	
OCTOBER 31, 1980)	

O R D E R

Pursuant to 807 KAR 50:075, Section 1(11) and 1(12), the Energy Regulatory Commission hereby ORDERS That Kentucky Power Company appear at the Commission's offices in Frankfort, Kentucky, on January 27, 1981, at 10:00 a.m., Eastern Standard Time, for the purpose of an examination of the Company's application of its fuel adjustment clause for the period May 1, 1980 to October 31, 1980 and to establish as appropriate updated base period fuel costs F(b).

IT IS FURTHER ORDERED That Kentucky Power Company shall give notice of the date, time, place and purpose of the hearing pursuant to the notice provisions of 807 KAR 50:025 Section 7(b).

IT IS FURTHER ORDERED That Kentucky Power Company shall respond to the Interrogatories attached hereto and made a part hereof (Appendix "A") on or before December 24, 1980 and shall provide a copy of the responses to the Consumer Intervention Division of the Attorney General's Office, 209 St. Clair Street, Frankfort, Kentucky 40601.

Done at Frankfort, Kentucky, this 3rd day of December, 1980.

ENERGY REGULATORY COMMISSION



Chairman

Vice Chairman

Commissioner

ATTEST:

Secretary

APPENDIX "A"

1. Provide for each unit, plant, and the system, as appropriate, the operating statistics and costs reflected on Format 1 for the period November, 1978 through October, 1980.
2. Provide the data in Format 2 for scheduled, actual, and forced outages by month for calendar year 1980.
3. Provide by unit the planned or scheduled maintenance for calendar year 1981.
4. Provide the following data for the system for 1980:
 - a. Capability Margin
 - b. Demand:
 1. Annual Maximum
 2. Average
 3. Coincident Peak
 4. Non-Coincident Peak
 5. Firm Power Commitments for 1981
 - a. Purchases
 - b. Sales
 - c. Heat Rate (at the meter)
5. Provide the following information for each coal contract in excess of one year:
 - a. Annual Tonnage Requirements
 - b. Percent of Annual Requirements received for the 12 months ended October 31, 1979 and 1980.
 - c. State if Contract Price escalators are based on increases in operators cost (i.e. cost plus) or on price indices. If some other basis is used, please explain.
 - d. Provide a detailed list of adjustments to Inventory for the period October, 1978 through October, 1980 together with a detailed explanation of all factors which resulted in the adjustment being required.
6. Provide by month a Billing Summary for sales to all KERC jurisdictional companies for the period November, 1978 through October, 1980.
- *7. Provide the following information for line loss:
 1. Calculation of the 12-month average line loss by month for the period November, 1978 through October, 1980.
 2. Steps that have been taken to reduce line loss during this period.
- *8. Provide a summary showing by month the calculation of over or under recovery of fuel costs, updated from 1979 through October, 1980 and the cumulative monthly balance from November, 1978 through October, 1980.

*Distribution RECC's are required to provide this data only.

9. Provide a calculation of the fossil fuel costs (F) that the company proposes for use in calculating the base period fuel cost. The calculation should show each component of (F) as defined by 807 KAR 50:075. State the month used as the base period and provide a comprehensive detailed explanation of the factors considered in the selection of this month as being representative of the net generating cost per KWH which the company can reasonably expect to incur on a going basis. If a month subsequent to October, 1980 is used, as the base period (b) provide the data requested in Format 1 for the month selected.
10. Provide a schedule showing each component of sales in the selected base period (b) and a detailed explanation as to the reasons the company believes the sales in the selected base period are representative of the level of KWH sales which the company can expect to derive from the level of fuel cost incurred during the selected base period.

NOTE: Reference should be made to "Glossary of Electric Utility Terms" EEI Publication 70-40 for definition of terms used in the preceding requests and attached footnote or to 807 KAR 50:075 as appropriate.

Company Name: _____
 Station Name - Unit Number: _____
 For the Months of _____ Through _____

Item Description

1. Date Installed
2. Type of Fuel
3. Capability
4. Capacity (dependable)
5. Capacity (name plate rating)

	Nov.	Dec.	Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sept.	Oct.	Annual
6. <u>Unit Performance:</u>													
a. Capacity (average load)													
b. Capacity Factor (L6a ÷ L5)													

7. Heat Rate:
- a. BTU's Consumed
- b. Net Generation
- c. Heat Rate (L7a ÷ L7b)

8. Operating Availability:
- a. Hours Available
- b. Hours During the Period
- c. Availability Factor (L8a ÷ L8b)

9. Analysis of Coal Costs:
- a. Delivered Cost per Ton
- b. Delivered Cost per MBTU
- c. Cost of Fuel Consumed per MBTU (FAC Basis)
- d. Delivered BTU per lb.
- e. Mine Cost per MBTU

10. Cost per KWH:
- a. Gross Generation - FAC Basis
- b. Net Generation - FAC Basis

11. Inventory Analysis:
- a. Number of Days Supply:
 - (1) Maximum Burn
 - (2) Actual Burn
- b. Actual Monthly Purchases (Tons):
 - (1) % Long Term Contract (in excess of one year)
 - (2) % Spot Market

Station Name - Unit Number:

For the Months of _____ Through _____

[illegible]

1/ Report dates of forced outage in column headed Actual.